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3 SENATORS WARN PRESIDENT ON C.I.A.

Add Own Views to Intelligence Panel Report on Domestic Spying Plan for Agency

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WASHINGTON, Nov. 4 — Three members of the Senate Select Committee on Intelligence have privately warned President Reagan that authorizing the Central Intelligence Agency to infiltrate and influence American organizations could damage the agency.

Senator Daniel Patrick Moynihan, Democrat of New York, who is vice chairman of the panel, and two Republican Senators, Malcolm Wallop of Wyoming and David Durenberger of Minnesota, made their pleas in Individual "views" that accompanied a committee report on the proposal sent to the White House Friday.

The report, which was unanimously endorsed by the Senate panel, urges Mr. Reagan "to consider whether the benefits derived from the apparent expansion of C.I.A. authority is offset by the possible controversy" it would generate

"Henceforth, if the President signs this order, he will be pilloried as the man who wants to expose law-abiding Americans to the C.I.A.'s scrutiny," Senator Wallop concluded. "The C.I.A. will once again be held up to the American people as something dangerous to all of us."

Credence for Public's Fears

Senator Durenberger cautioned that an expanded role for the agency within the United States would probably "give credence to many of the public's fears and worst-case scenarios of Government misuse of power."

The views of Senators Wallop and Durenberger, which had not previously been made known, are quoted in the statement submitted to the White House by Senator Moynihan to supplement the report. All three have been leaders in efforts to strengthen the intelligence community.

Senator Moynihan chara proposed executive order, which would have the force of law it signed by the President, as "a disastrous set of proposals." He and Senator Wallop maintained that expanded domestic authority for the agency "only hides the most critical problem of improving the intelligence community's analytical ability."

"After all," Mr. Moynihan continued, "it was not restraints placed on the C.I.A.'s domestic activities" that resulted in national intelligence estimates "of doubtful accuracy."

Fundamental Problems Ignored

More broadly, the three senators complain that the proposed order fails to address the agency's fundamental problems:

For example, Senator Moynihan noted that Richard V. Allen, Mr. Reagan's national security adviser, last year recommended a series of steps to the Republican Party's platform committee that were designed to improve the intelligence community's analysis operations. They included a suggestion that another center for the production of intelligence estimates be created.

"Although the proposed order recognizes the importance of what has come to be called competitive analysis," Senator Moynihan said, "it takes no practical steps to institutionalize it."

Carter Order Would Be Replaced

The executive order being weighed by utive Order 12038, the basic framework for all intelligence activities, signed by President Carter Jan. 24, 1973. It allowed only the Federal Bureau of Investigation to infiltrate and influence domestic groups, with the approval of the Attorney General.

Under the National Security Act of 1947, the agency is prohibited from having an "internal security" function.

The section of the order that would authorize domestic spying by the agency has aroused opposition throughout the committee, but the depth of concern about the order and its potentially harmful impact on the agency had not previously been evident.

White House officials have declined to comment on whether the Administration would accept the committee's recommendations, but intelligence officials have privately assured members that their advice will be considered carefully.